STATE SENATOR · GILDA Z. JACOBS · 14TH DISTRICT

Jacobs Press Release

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FOR IMMEDIATE RELEASE CONTACT: Sen. Gilda Jacobs (D-Huntington Woods) November 15, 2005 517/373-7888

CONCERNED CITIZENS, MEDICAL PRACTITIONERS, AND PATIENTS TURN OUT FOR "NO-FAULT – THE BROKEN PROMISE"

SOUTHFIELD – Last night, more than 75 constituents, medical practitioners, automobile accident victims, and other interested parties heard a panel of experts describe recent insurance industry efforts to reduce benefits and erode guarantees provided by the original No-Fault Act. The program was sponsored by Sen. Gilda Z. Jacobs (D-Huntington Woods) and the Coalition Protecting Auto No-Fault (CPAN), a non-partisan coalition of consumer groups, victim's advocates, medical providers and ordinary citizens dedicated to protecting Michigan's No-Fault system.

Guest panelists included: Michael Dabbs, President, Brain Injury Association of MI; George Sinas, CPAN legal advisor; and William Buccalo, President, Rainbow Rehabilitation Centers. Joining the panelists were state representatives Paul Condino (D-Southfield) and Aldo Vagnozzi (D-Farmington Hills).

Panelists explained Michigan's existing No-Fault Act, ranked among the best in the nation, and how several recent anti-victim court verdicts are stripping the act of its original intent. One affected audience member testified to reductions in her home care benefits without explanation from her insurance company. Others expressed frustration with the lack of accountability on the part of insurance companies in rate setting and rate adjustments.

Insurance companies are also proposing mandating managed care for treatment; altering the threshold injury standard which deprives thousands of victims compensation from negligent drivers; imposing mandatory coordination of benefits; and forcing some accident victims to pay their own medical expenses out of their liability settlements.

"In response to these threats, I have introduced legislation to protect the rights of Michigan citizens and guarantee that the promises made under the No-Fault Insurance Act remain intact," Sen. Jacobs said. "This 17-bill package will address many of the concerns expressed tonight."

Experts also stressed the importance of understanding the coverages consumers purchase and the benefits to which consumers are entitled. Attendees were also urged to contact legislators and inform them of their concerns about the existing threats to a 30-year old successful and well-regarded system.